

IMPACT OF FUNDS FROM THE AMERICAN RECOVERY AND REINVESTMENT ACT ON COLORADO STATE AGENCY SERVICES



>> JANUARY 2010 UPDATE <<

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>> EXECUTIVE SUMMARY <<

Since President Obama signed the American Recovery and Reinvestment Act into law in February 2009 in Denver, the benefits from this landmark law have been steadily growing for communities across Colorado. The Recovery Act distributes funds through more than 100 programs. So far, at least \$6.7 billion is expected to come to the state over the next two years. And new awards – including significant competitive grants – will continue to be announced in coming months.

The latest data shows that Colorado state agencies have been intensifying their efforts to put Recovery Act funds to work for the benefit of millions of Coloradans. In the last three months of 2009, state agencies nearly doubled the amount of Recovery Act funds they spent, compared to the seven month period prior to that.

As of December 31, 2009, state agencies had spent more than \$622 million in Recovery Act funds – or almost 92 percent of all funds received. State agencies have spent 38 percent of all the Recovery Act funds expected to come to state agencies over the next two years.

More people are being put to work with these funds as well. During the last three months of 2009, Recovery Act funds administered by state agencies paid for 7,248.2 full-time equivalent jobs. These funds are paying for jobs in education, public safety, construction, science and the New Energy Economy. These funds benefitted nearly every community in Colorado. They:

- Paid the salaries of almost 1,700 full-time workers at the Sterling, Arkansas Valley and Fremont correctional facilities.
- Paid the salaries of thousands of construction workers hired for 87 highway projects.
- Paid for hundreds of special education teachers and professionals who helped low-income, disabled and homeless students in K-12 school districts across the state.
- Preserved almost 3,400 full-time equivalent jobs across all public colleges and universities.
- Created more than 170 full-time equivalent jobs to improve energy efficiency in low-income homes.

Going forward, the impact of Recovery Act funds will grow exponentially. State agencies are using the funds to help support struggling Coloradans and to advance long-term infrastructure projects that will have lasting benefits for millions of people. And the benefits extend far beyond the work of state agencies. Hundreds of businesses, non-profit groups and local agencies also are receiving Recovery Act funds and have submitted spending and job data that will be released to the public on www.recovery.gov on Jan. 30. More information about overall impact of the Recovery Act in Colorado can be found later in the report.



>> BACKGROUND <<

The American Recovery and Reinvestment Act was signed on February 17, 2009 by President Obama at the Museum of Nature and Science in Denver. The Recovery Act is designed to revitalize the economy by creating jobs, supporting struggling families and shifting the economy in a new direction. In addition, the Recovery Act requires an unprecedented level of transparency about how funds are being spent. Section 1512 of the Recovery Act calls for recipients of certain grants, contracts and loans to submit a large quantity of data related to the use of the funds. For the first time, the federal government is requiring recipients to calculate the job impact created by these funds. The job figures are related to about one-third of all Recovery Act funds being distributed. Therefore, the total number of jobs created or retained by the Recovery Act is much higher than what is reported through the 1512 process.

The Recovery Act requires spending and job data to be submitted every three months starting in October 2009. This is the second round of reporting. This process is overseen by the federal government – mainly through the Office of Management and Budget and the national Recovery Accountability and Transparency Board. Federal agencies made changes for the second round of reporting, including a different way to calculate jobs and ways to flag potential mistakes on the online reporting form. These changes were designed to make job numbers more consistent across hundreds of different programs, and to make the data more accurate. For instance, the online system was changed to notify a recipient if the congressional district was entered incorrectly, and to prompt the recipient to change that number.

The following data was submitted earlier this month to the federal government by state agencies for grants and contracts that have been awarded as of December 31, 2009. This information was submitted to comply with Section 1512 of the Recovery Act. Data submitted by hundreds of other Colorado recipients will be posted on www.recovery.gov on January 30, 2010.

The spending data reflects activity between February 2009 and December 31, 2009. The job data reflects full-time equivalent positions funded between October 1, 2009 and December 31, 2009. This is the second round of data reporting through the 1512 process.

The job numbers presented in this report reflect the change in calculation. They CANNOT be added to the October 2009 numbers. That is because the January job numbers include jobs that were also counted in October. Adding the numbers together would mean that some jobs are double-counted.



>> RECOVERY ACT FUNDS ADMINISTERED BY STATE AGENCIES <<

Spending

Total grant awards to state agencies (as of Dec. 31, 2009)	\$1,636,909,467.00
Total received	\$681,530,233.93
Total spent within grant awards to state agencies	\$622,873,111.32
Percent of received funds spent	91%

Jobs funded

Full-time equivalent positions (FTE) are calculated based on the number of hours worked. This does not reflect the number of people hired. Numbers will change slightly before Jan. 30 2010 because of federal agency reviews.

Co. Department of Corrections	1,698.80
Higher education jobs	3397.17 **
Highway and transit projects	609.83
K-12 funds for teachers and other professionals working in special education, Title I schools, and homelessness prevention	462
Adult job training and youth summer jobs	192.61
Science and research jobs	281.4
College student work study jobs	128.3
Weatherization jobs	174.52
Colorado State Forest grants to companies and non-profits	42
Other state grants	261.57
TOTAL	7,248.2

** Number will show up on Recovery.gov on Jan. 30, 2010



>> GENERAL IMPACT OF THE RECOVERY ACT IN COLORADO <<

Examples of Recovery Act dollars spent in Colorado

(Not comprehensive)

Social Security one-time payment \$250 each	\$174,334,250
Medicaid payments	\$247,634,837
Increased Unemployment Benefits	\$101,802,450
Additional or extended Unemployment Benefits	\$486,057,807
Airport projects	\$12,707,874*
Extra 13 percent in food stamp benefits	\$46,787,747
Federal contracts to businesses and local agencies	\$48,107,578*

**as of Sept. 30, 2009 – the number has increased but the Governor's Office did not have access to those figures when compiling this report.*

Coloradans affected by Recovery Act funds

(including funds not administered by state agencies)

Making Work Pay income tax cut families	1.8 million
Social Security one-time \$250 payment	500,000
Increase in Pell Grant award to pay for college tuition	52,000
Extra 13.6 percent in Food Stamp Benefits	371,389
Extra Emergency Food Assistance	306,906
First-time homebuyer tax credit (max \$8,000) households	6,200
Increased Unemployment Benefits	196,776
People receiving job training	1,929
People receiving job search assistance	357,767



Homes that received weatherization improvements	1,500
Low-income seniors receiving extra meals	7,000
Homes benefitting from upgrades to drinking water systems	71,904
Homes benefitting from upgrades to wastewater systems	157,666
New police officers hired	23
Youth who received summer jobs or other job experience	3,370
Jobs at arts organizations that were retained	313
Census Bureau outreach workers	33
TOTAL	3,834,776



The owners and staff at **MS Forest, LLC** in Aguilar, CO, have the Recovery Act to thank for their jobs. They received a \$1 million grant from the Colorado State Forest Service.

